

# Exhibit 7

Honolulu

# Honolulu Police Chief Placed On Leave During Corruption Probe

**UPDATED:** At least four other officers have also been notified that they are suspects in a federal investigation stemming from a mailbox theft case.

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By Nick Grube    / December 20, 2016

**UPDATED 12/20/16 3:24 p.m.:**

Honolulu Police Chief Louis Kealoha has been placed on paid leave after being named as a target of a federal grand jury investigation that involves allegations of corruption and abuse of power.

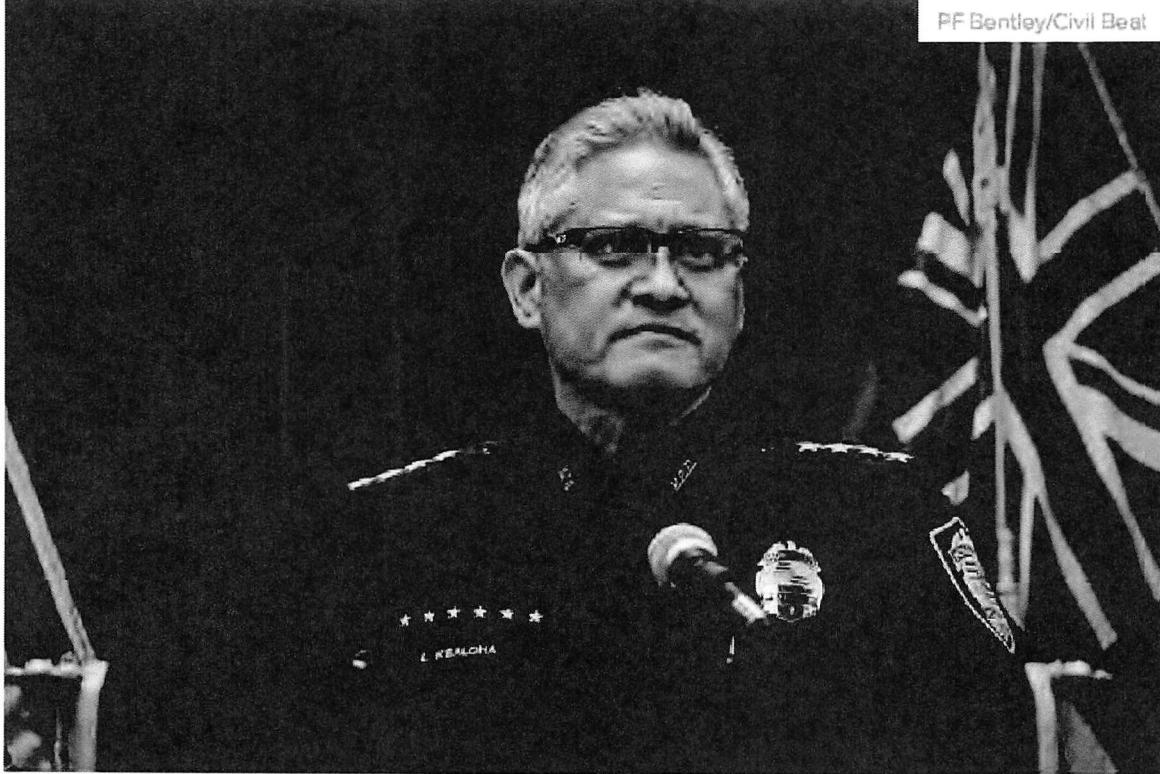
Deputy Chief Cary Okimoto will take over as acting chief, and Kealoha will have no involvement with department activities.

Honolulu Police Commission Chairman Max Sword made those announcements Tuesday during a press conference at department headquarters, just hours after Kealoha had said he was taking the lesser step of voluntarily placing himself on “restriction of police authority” status.

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PF Bentley/Civil Beat



Honolulu Police Chief Louis Kealoha is under federal investigation for corruption and abuse of power.

Sword said the chief's future with the department will be the subject of a commission meeting Jan. 4. He said a meeting could not be scheduled sooner because some commissioners would not be available due to the holidays.

"I just want to reiterate that we have not received anything from the grand jury," Sword said. "Obviously, the target letter is very serious and the Honolulu Police Commission is extremely concerned about the effect of the target letter on the public's confidence and trust in the department."

He added that he believes Kealoha is "doing the right thing" by agreeing to relinquish control of the department now that it's clear that he's a subject of the ongoing corruption probe. Kealoha has already turned in his department-issued badge, gun and ammunition to Okimoto.

There are still a lot of questions, however, about how the police department even got to this point in the first place. Top city officials, from the mayor on

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down, have known about the U.S. Department of Justice investigation for nearly two years but haven't acted.

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#### **Honolulu Police Commission Press Conference**

**Former Honolulu Mayor Peter Carlisle had called on Kealoha to step aside months ago during his unsuccessful campaign to unseat Mayor Kirk Caldwell. Carlisle said it seems like city officials, including those assigned to the Police Commission, have been sitting on their hands.**

**"My impression right now is that the whole institution of law enforcement here in Honolulu has taken a very serious black eye," Carlisle said. "It doesn't do anything to enhance the public's trust in key components of public safety."**

#### **Additional Target Letters**

**The chief received a target letter Monday from the U.S. Attorney's Office notifying him that he's a suspect in the ongoing criminal investigation**

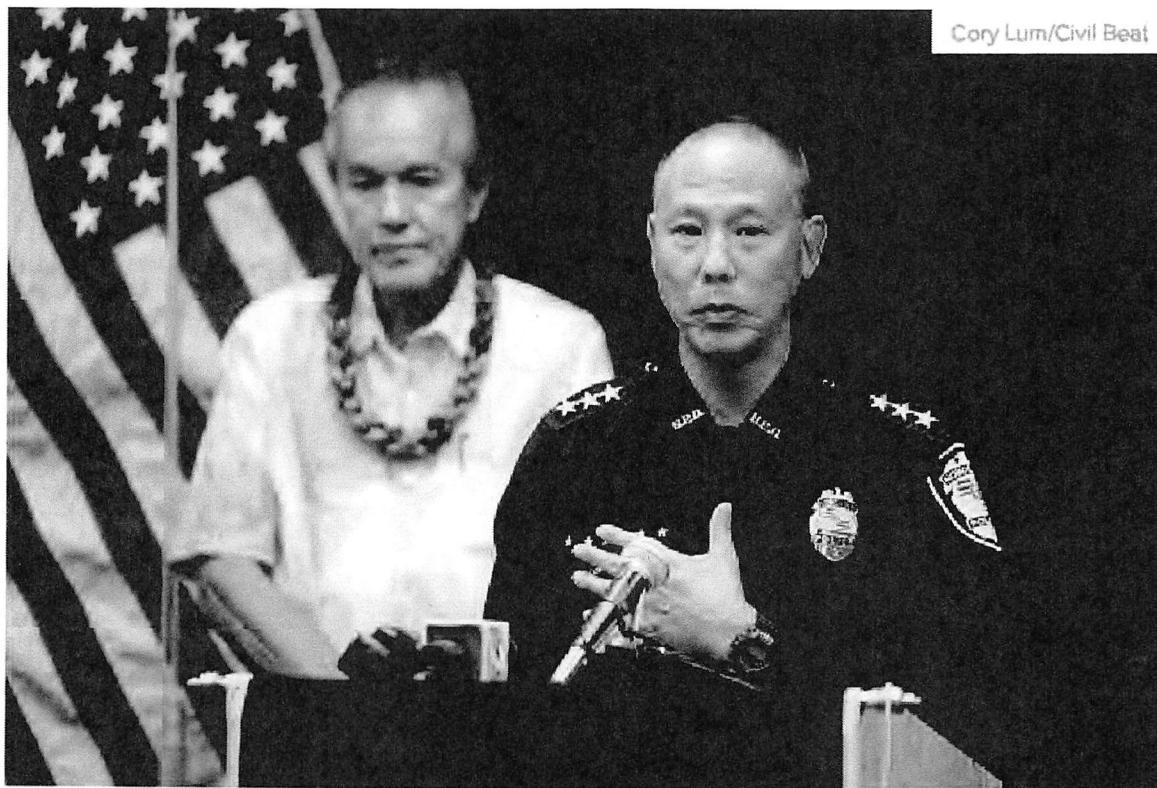
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stemming from the theft of his mailbox in 2013.

On Friday, retired Honolulu police Officer Niall Silva pledged guilty to felony conspiracy charges after admitting that he was part of a scheme to frame Gerard Puana for the theft of the mailbox. Puana is the uncle of the police chief's wife, city prosecutor Katherine Kealoha.

Records from Silva's plea deal mention at least five co-conspirators, including "Co-conspirator No. 1," who reported the mailbox theft in the first place. Records show that Katherine Kealoha is the person who contacted police to report the crime.



Acting Honolulu Police Chief Cary Okimoto speaks to the media Tuesday while Police Commission Chairman Max Sword listens.

Puana had filed a lawsuit against Katherine Kealoha as part of a bitter family dispute involving money. After he was accused by her and her husband of stealing their mailbox, Puana's criminal defense attorney Alexander Silvert said that his client was framed to help the Kealohas win the lawsuit.

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On Tuesday, Okimoto said at least four other officers have received target letters related to the investigation. He refused to identify them, but said they have been reassigned and had their police powers revoked. He also noted that the department's internal affairs division has launched its own investigation into those officers.

Okimoto said he has testified before the grand jury himself, although he refused to talk about what was discussed during those proceedings.

Okimoto was a major in District 6 when the Kealohas' mailbox was stolen. Records show members of the District 6 crime reduction unit, a plainclothes detail of specialized officers who investigate street crime, were involved in Puana's arrest.

The acting chief said he would similarly step aside if he were to receive a target letter from the Department of Justice.

"Today is not a good day, I'll tell you that," Okimoto said. "But I think this is the first big step in telling the rank and file and everyone that we are moving on. We are going to continue to work as hard as we can every day."

He said the department will not tolerate any form of intimidation against any officer who might be called to testify or provide information that might be detrimental to the chief. He did not provide specifics on how the department would ensure such intimidation would be prevented.

"They're expected to tell the truth," Okimoto said. "If they feel that they're being intimidated or things of that nature we're going to investigate that. They understand that this job is about testifying, going to court and telling the truth."

## 'This Situation Cannot Be Allowed To Drag On'

Honolulu Managing Director Roy Amemiya attended Tuesday's press conference as a spokesman for Caldwell, who left the country on a family vacation Tuesday morning. Amemiya told the media that Caldwell spoke to

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Sword on Monday and Kealoha on Tuesday about the target letter and that he believes the chief is taking the appropriate action.

"For the sake of the police force, Mayor Caldwell feels this situation cannot be allowed to drag on, and is urging the Police Commission to take decisive action at its January commission meeting," Amemiya said. "The Police Commission has designated HPD's most senior deputy chief, Cary Okimoto, who will serve as acting chief. We have full confidence in his ability to run the department during this period of transition."

Caldwell has been reluctant to speak out about the police chief or the grand jury investigation. Instead, the mayor has focused on the overall performance of the police department and Honolulu's rank as one of the safest big cities in America. Any stance on the chief, Caldwell has said, would be up to the Police Commission, which he appoints.



Representing the vacationing mayor, Managing Director Roy Amemiya responds to media questions.

Amemiya reiterated many of Caldwell's talking points Tuesday, saying that the public should be able to trust in the "fine institution" that is HPD. He said the department has handled the recent visit of dignitaries, including

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President Barack Obama, who is here now, without a major hitch or headache for the public.

The managing director also noted that the department has nearly 2,400 employees and that with such a large pool of personalities, there will be incidents that are “not in line with how we would like our department to be run.”

“I’m sure that we’ve gotten through many other types of incidents and we will get through this as well,” Amemiya said. “We have one of the safest large cities in the nation. ... I would hope that the ordinary citizen would feel that they are safe walking out on the streets, which is the main job of our men in blue.”

Amemiya initially tried to dodge questions about Katherine Kealoha, who is an at-will city employee in the Honolulu Department of the Prosecuting Attorney. He said she works for Prosecuting Attorney Keith Kaneshiro, who is an elected official and whose office operates with more autonomy than other departments in the city. Kaneshiro has been an ardent defender of her, despite concerns that she’s a central figure in the alleged wrongdoing.

Amemiya admitted that he had not talked to Kaneshiro about Katherine Kealoha, but that he intends to do so. He also noted that she had not yet received a target letter from the Department of Justice.

“Clearly, we need to huddle up to determine where we go with that department as well,” Amemiya said. “It’s a serious allegation.”

Kaneshiro did not respond to a request for comment Tuesday.

Attorney Myles Breiner, who represents the Kealohas, said the target letter that was sent to the chief is a serious matter. While it doesn’t contain specific allegations, Breiner said the fact that the chief received it means he will likely face charges.

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"They don't call you a target unless in their mind you're already a defendant," Breiner said. "It's a very powerful device to get people to come forward thinking they're going to save their skin by running to the U.S. attorney and working out some deal. That's what it's designed to do. It's designed to get the evidence they don't already have."

Breiner reiterated that the chief and his wife say they've done nothing wrong and are looking forward to proving themselves in court.

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